

Proposed Changes Relating to Treatment of Mortgages

Add to Guidelines at p. 9:

V. Mortgages

- A. Existing Language Remains
- B. Existing Language Remains
- C. Any holder of a mortgage being paid as a long-term debt extending beyond the term of the Chapter 13 plan must notify the Trustee, the debtor(s) and debtor(s)' attorney in writing of any change in the amount of the ongoing monthly mortgage payment promptly upon such change. In no event should such notification occur following completion of the plan or more than six months after a change which increases the amount of the ongoing monthly mortgage payment.
- D. Any holder of a mortgage being paid as a long-term debt extending beyond the term of the Chapter 13 plan must additionally notify the Trustee and debtor(s)' attorney of any additional charges incurred during the term of plan for items not included as a part of the ongoing monthly mortgage payment. Such notification is to be made by amending the arrearage portion of the original proof of claim. The amended claim must set forth in detail the additional charges.

- E. Upon completion of payments required under a plan, the debtor(s) may file a motion with the Court seeking a determination that any long-term mortgage debt that was paid through the plan is current as of the date of the final ongoing monthly mortgage payment by the Trustee to the mortgage creditor. The failure of a mortgage creditor to comply with paragraphs C. and D. above may result in the entry of an order deeming the mortgage current as of the date of the final ongoing monthly mortgage payment by the Trustee to the mortgage creditor.

Add to 2(c)(i) of Order Confirming:

NOTE: Any mortgage creditor being paid through the plan as the holder of a long-term debt must promptly notify the Trustee, debtor(s), and debtor(s)' attorney in writing of any change in the ongoing monthly mortgage payment. Additionally, the mortgage creditor must amend the arrearage portion of their claim to include any post-petition charges that are not included as part of the ongoing monthly mortgage payment. Such amendment should be filed at the time the post-petition charges are incurred. Failure to comply with any portion of this provision may result in the entry of an order deeming the mortgage current as of the date of the final ongoing monthly mortgage payment by the Trustee.